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1 UNITED STATES DISTRICT COURT  
2 SOUTHERN DISTRICT OF NEW YORK

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3 UNITED STATES OF AMERICA,

4 v.

16 CR 473 (RA)

5 HAENA PARK,

6 Defendant.

7 -----x

8 New York, N.Y.

9 July 11, 2017

12:20 p.m.

10 Before:

11 HON. RONNIE ABRAMS,

12 District Judge

13 APPEARANCES

14 JOON H. KIM

15 Acting United States Attorney for the  
16 Southern District of New York

CHRISTINE MAGDO

17 Assistant United States Attorney

18 FEDERAL DEFENDER OF NEW YORK

Attorneys for Defendant

19 BY: JULIA L. GATTO

20 ALSO PRESENT:

21 PAUL ROONEY, HSI Special Agent

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(Case called)

MS. MAGDO: Good afternoon, your Honor.

Assistant United States Attorney Christine Magdo on behalf of the government.

With me at counsel table is HSI Special Agent Paul Rooney.

THE COURT: Good morning.

MS. GATTO: Good morning, your Honor. Federal Defenders of New York by Julia Gatto for Ms. Park.

THE COURT: This matter is on for sentencing, United States against Park. Ms. Park pled guilty in January to commodities fraud. In connection with today's proceeding, I reviewed the following submissions: The presentence investigation report dated June 20, including the recommendation and addendum; Ms. Park's sentencing memorandum dated June 27 with the accompanying exhibits, as well as the reply letter dated July 10; the government's sentencing memorandum dated July 5, also with accompanying exhibits and a reply letter dated July 10; and I also have read all of the victim impact statements submitted. There are 11 or 12.

With the one today, Ms. Magdo, is that the twelfth one?

In any event, I have read all of them, which I understand represent 18 victims and their dependents. I have also read the victim's statements attached, of course, to

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1 Ms. Park's sentencing memorandum, and I recognize that those  
2 are victims as well.

3 MS. GATTO: Just a note for the record, there was  
4 one victim letter that was duplicated in the e-mail that was  
5 sent. That letter appears twice.

6 THE COURT: Right. I have received two copies of a  
7 few things because I received part of them in the government's  
8 submission dated yesterday and I had read all of those already.  
9 But in any event, I have read them all.

10 I'll note later in the proceeding, but I'm happy to  
11 hear from any victim who would like to be heard today. Just to  
12 be clear, have the parties received each of these submissions  
13 and has everything been filed on ECF even if it is in redacted  
14 form?

15 MS. MAGDO: From the government, yes.

16 MS. GATTO: From the defense, yes.

17 THE COURT: Let's begin by discussing the presentence  
18 report, which is a report prepared by the United States  
19 Probation Office.

20 Ms. Gatto, have you reviewed the presentence report  
21 and discussed it with your client?

22 MS. GATTO: I have, your Honor.

23 THE COURT: Do you have any objection to it?

24 MS. GATTO: No, your Honor. No factual objections.

25 THE COURT: Ms. Park, have you read the presentence

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1 report and had an opportunity to discuss it with your attorney?

2 THE DEFENDANT: Yes, your Honor.

3 THE COURT: Ms. Magdo, does the government have any  
4 objections to the presentence report?

5 MS. MAGDO: No, your Honor.

6 THE COURT: All right. The court adopts the factual  
7 findings in the report. The presentence report will be made a  
8 part of the record in this matter and placed under seal. If an  
9 appeal is taken, counsel on appeal may have access to the  
10 sealed report without further application to the court.

11 Ms. Park, you remember, I'm sure, when you pled guilty  
12 in January, we discussed the Federal Sentencing Guidelines. As  
13 you know, they are a set of rules published by the United  
14 States Sentencing Commission in order to guide judges when they  
15 impose sentence. Although at one time they were mandatory,  
16 meaning judges were required to follow them, they are no longer  
17 binding. Nonetheless, judges must consider them in determining  
18 an appropriate sentence, and thus, must ensure that they have  
19 properly computed the guidelines range.

20 Am I correct that the parties agree, consistent with  
21 the plea agreement, with the guidelines calculation in the  
22 presentence report pursuant to which Ms. Park is facing a  
23 guidelines range of 108 to 120 months?

24 MS. MAGDO: Yes, your Honor.

25 MS. GATTO: Yes, your Honor.

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1           THE COURT: Based on the parties' agreement and my  
2 independent evaluation of the sentencing guidelines, I accept  
3 the guidelines calculation in the presentence report. I find  
4 that Ms. Park's offense level is 31, her criminal history  
5 category is I, and her recommended guideline sentence is 108 to  
6 120.

7           As I said a moment ago, that range is only advisory.  
8 Courts may impose a sentence outside of that range based on one  
9 of two concepts, a departure or a variance. A departure allows  
10 for a sentence outside of the advisory range based on some  
11 provision in the guidelines themselves. In the plea agreement,  
12 both parties agree that no departure from the guidelines range  
13 was warranted. Nonetheless, I have considered whether there is  
14 an appropriate basis for departure from the advisory range  
15 within the guideline system. While recognizing I have the  
16 authority to depart, I don't find any grounds warranting a  
17 departure under the guidelines. I do, though, also, of course,  
18 have the power to impose a non-guideline sentence based on what  
19 we call a variance, which I understand the defendant is  
20 seeking.

21           With that, I'll hear first from the government or any  
22 victims that would like to be heard.

23           MS. MAGDO: May I inquire as to whether there are any  
24 victims, your Honor?

25           THE COURT: Yes, of course.

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1 Would you like to be heard today?

2 MR. GRANT: Yes, please.

3 THE COURT: Please come up to the podium and state  
4 your name for the record, and I'm happy to hear anything you  
5 would like to say today, sir.

6 MR. GRANT: Your Honor, thank you for allowing me time  
7 to speak. My name is Ryan Grant. You have before you, among  
8 all those letters, not one but two from me; one in my capacity  
9 as a victim and one from my perspective as somebody who has  
10 watched Haena over the past year come to terms with her crime.  
11 So I will not repeat what I have written there.

12 I understand, although I obviously have not yet heard  
13 them today, that the U.S. Attorney is asking for a strict  
14 sentencing because of the severe impact that Haena's fraud has  
15 had on the victims. I fully recognize that some victims are  
16 very upset and want to lock her up and throw away the key.

17 I can appreciate that desire for I, too, am upset. My  
18 wife and I lost \$400,000 that represented most of what we had  
19 saved for my three boys' education and for our own retirement.  
20 And, even worse, I was personally betrayed by somebody I  
21 consider a sister. But I came here as a victim to say that,  
22 although the U.S. Attorney's office may speak for some victims  
23 with regard to sentencing, they do not speak for me. In fact,  
24 they did not ask me. And I know they do not speak for at least  
25 12 other people who signed the same letter as I did to say

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1 that, as victims, as people who were deeply affected by Haena's  
2 crime, it will only increase our pain if she is sent to prison.

3 That is not because we want her to get off easy.  
4 Still less, because we are all closely related, some who signed  
5 that letter are friends of friends, though I am her  
6 brother-in-law. Rather, it is because we want Haena to face  
7 what she has done and walk the difficult and narrow road to  
8 redeem her life and build her integrity for much longer than  
9 108 to 120 months. And we do not see that prison serves that  
10 purpose in her particular circumstances. We would rather see  
11 this court supervise a robust combination of counseling,  
12 significant community service time, and financial restitution  
13 to the extent possible.

14 As this hearing has approached, I have been asking  
15 myself if this request for mercy and alternative sentencing is  
16 in truth what the U.S. Attorney would claim it is, letting  
17 Haena off the hook, letting her get away with her crime. Yet,  
18 I can't quite place my finger on what she would be away with.  
19 She never benefited financially from this crime, never  
20 appropriated the money for her own use, never lived any  
21 differently than she has for the 20 years she's lived in  
22 New York.

23 What she did was hide her losses and increase her  
24 stakes out of fear and pride, out of a misguided and desperate  
25 attempt to save her reputation and the appearance of success.

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1 I am not excusing that by any means. Far from it. But what  
2 she hoped to get away with, her reputation, has already been  
3 completely and irreparably smashed.

4 She now faces the long road to rebuild her character,  
5 her relationships, and I wrote in my personal letter some of  
6 the first steps that I have seen her take down that road. But  
7 she will never again regain her reputation, never outlive the  
8 public shame that her deeds have brought down upon her.

9 So I entreat you in your sentencing to consider that  
10 form of judgment that already hangs over Haena, that loss of  
11 what she valued and tried to preserve, and thus, to lend more  
12 weight to the nobler aspirations of our justice system, to  
13 encourage the penitent to responsibility and restitution.

14 Those nobler aspirations depend upon the belief that  
15 all criminals are, in fact, still human, people who need to go  
16 on living and choosing to do right, whatever they have done in  
17 the past. My understanding of the U.S. Attorney's position is  
18 that the wishes of these 13 victims who are asking you for  
19 clemency are invalid because we are too close to Haena.  
20 Because everyone is, at least, a friend of a relative of an  
21 in-law, although I believe that applies to almost all the  
22 victims. Because we are somehow blind to our own losses  
23 because of this connection. If you'll forgive me, even in the  
24 these serious proceedings, as a husband of a divorce lawyer, I  
25 am amused by the apparent belief that all families stick



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1 together when large amounts of money are involved.

2 I propose, instead, that the problem is the opposite;  
3 not that we are too close, but the prosecution is too far.  
4 They have taken Haena's terrible mistake and, from a distance,  
5 without true knowledge, have built a monster out of her, by  
6 imputing to her motives she did not have, making assumptions  
7 about her lifestyle not backed up by facts, and presuming that  
8 nothing but a cage can contain her unrepentant malice.

9 If that were true, then we could only lament our  
10 inability to lock away this monster for life, for longer than  
11 ten years. But if Haena is still a person, a person who has  
12 started doing what is in her power to reckon with and redress  
13 her crime, then I plead with you to assist her in that effort  
14 with more effective methods than a cage. Please see her as a  
15 person.

16 Thank you for listening.

17 THE COURT: Thank you very much.

18 Would any other victims like to speak today?

19 Yes, sir. You can come forward and please state your  
20 name.

21 MR. HAM: Your Honor, my name is Jacob Ham. My  
22 parents and I were victims of the crime. My parents lost their  
23 retirement and the money that was left for my inheritance. Not  
24 much, maybe two, 300,000. I can't recall. I am also her  
25 husband, and I became her husband --

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1 THE COURT: Take your time.

2 MR. HAM: I proposed to her after I learned of the  
3 crime. I have known her for 14 years, and I have lived with  
4 her for 10 years, and I have not been away from her for more  
5 than a week at a time. So I, of all people, know her the best.  
6 And what I know is that Haena's mistake is so profoundly human.  
7 It is not an act of criminal mastermind, whose intentions were  
8 from the start to manipulate or deceive people for the sake of  
9 her own self gain. It was the act of someone trying  
10 desperately to try to care for those she loved with the ability  
11 that led her to incredible accomplishments.

12 I thought so long and hard, I thought so much about  
13 what it was like for her to set off on this path, and I can  
14 only imagine that what I would have done if I had lost my own  
15 sister's money and the money that she would have needed to  
16 raise her own family, and if all I had to do was to just do the  
17 thing that I had been doing for the past seven years with  
18 enormous success, and then to -- and that was just to trade  
19 money, and she had been doing -- she had been trading hundreds  
20 of millions of dollars on a daily basis for a fund that started  
21 with millions and turned into a multi-billion dollar fund, then  
22 I can only imagine that many of us would make the same decision  
23 to just do the thing that we are trained at and excelled at for  
24 so long.

25 I completely reject the idea that Haena has

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1 intentionally used her Harvard degree and resume to lure  
2 people. I think those are empty trappings of success. They  
3 represent something extremely real about her, which is that she  
4 has never known failure and overcome every obstacle in her  
5 path. Her crime was not of deception, it was an unwaivering  
6 belief in her ability to make things right.

7           How could someone not have such confidence if they  
8 were able to do what Haena has done, come to the U.S. at the  
9 age of 13 without speaking any English, learning English while  
10 she is going to high school, and then graduate valedictorian of  
11 her school, go to Harvard, get picked up by Goldman Sachs with  
12 just a psychology degree. That is what I have, by the way, so  
13 I know it is not that much of a big deal. Get plucked by her  
14 boss and friend who is here, who launched the hedge fund  
15 together. It's an incredible story.

16           I saw this belief and determination every day in  
17 action since I've known her. I have never seen anyone who is  
18 more capable of driving herself to focus and work. And it was  
19 this drive that inspired me to accomplish what I have done in  
20 my life and apply for a federal grant to serve traumatized  
21 children.

22           When she traded and worked the way she did for so  
23 long, she never had a full night's rest. She had to wake up at  
24 the start of every market from Hong Kong, London to the U.S.,  
25 and she even slept with an iPad propped up in front of her

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1 face, just a few inches from her face because she can't see  
2 very far. She had all these tiny little alarms that I couldn't  
3 make sense on, and it would beep throughout the night to wake  
4 her up. She was so focused, she wouldn't eat or move from her  
5 desk. And I would come home and beg her to, like, take a  
6 break.

7 And with all her medical conditions, it was just the  
8 worst thing she could have done for herself. The cost to her  
9 body was so tremendous. There are so many days when she would  
10 just collapse with fatigue or illness and lie in bed for days  
11 on end or be exposed to random cleaning products or just the  
12 heat from the sun or dirt from the street or just, like, the  
13 wrong food or just, like, too much stress and she would just  
14 blow up like a balloon. Her immune system was so weak and she  
15 was so reactive to nearly everything. She breaks out in hives  
16 and swells so badly, her eyes would nearly shut, and her lips  
17 would get so swollen that her lips would just tear from how big  
18 they were getting.

19 There were all these scary times, whenever the  
20 swelling would travel down her face into her throat and lungs,  
21 and I would have to run to the bathroom to get the EpiPen. And  
22 she would just grab it and stab it into her thighs, and we  
23 would have to wait for 30 minutes. And she would sit there  
24 just wheezing, waiting for the EpiPen to kick in, and I would  
25 be so afraid.

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1           It's been much better for the past couple years  
2           because she has found this new medicine called Xolair that she  
3           has to go to a doctor and have a monthly injection and they  
4           have to sit and watch to make sure that she doesn't go into  
5           anaphylaxis just because of the injection itself. And since  
6           that time, she hasn't had to use an EpiPen, but it doesn't last  
7           very long. And even within, like, three weeks before the next  
8           monthly injection happens, she starts to get hives again and  
9           get red and splotchy. We have to be careful about what she is  
10          exposed to.

11          Even with the Xolair, her immune system is still  
12          compromised and she will catch every cold, every infection  
13          there is. So anytime she flies, she gets a cold. If I come  
14          home with just a scratchy throat, then she'll have the worst  
15          cold ever and she will be laid out in bed for a week.

16          I can't imagine what it is going to be like for her if  
17          she has to go to prison with her immune system compromised the  
18          way it is. We live in such a controlled environment now with  
19          an Army of specialists caring for her and in prison, she'll  
20          have reactions to everything and catch every infection. I have  
21          nightmares about her dying in prison going into anaphylaxis.

22          I am the only one who really can appreciate Haena's  
23          intentions and know how truly vulnerable her body is. I'm the  
24          only one who has seen it. I have seen her work for 14 hours  
25          straight, and I'm the only one there to help nurse her when

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1 she's sick.

2 Everyone else just sees her when she is healthy. The  
3 only thing they've ever seen of the illness is when she is not  
4 there. She doesn't show up for things. Ask anyone how many  
5 times she flakes out on appointments. It is not because she  
6 doesn't want to go, it is because she is just too sick to come.

7 I can also testify to the fact that she did not lead a  
8 lavish lifestyle. Yes, her personal spending was much greater  
9 than I can afford on my salary of a psychologist, but her  
10 spending was never extreme. And it was modest in comparison to  
11 the other people that she knew in finance. They had six-figure  
12 watches on their wrists, they had luxury cars, talked about  
13 buying summer homes Upstate.

14 And we haven't even vacationed in the past few years.  
15 She hasn't vacationed for seven years since leaving the  
16 Fortress. We only started to travel because I personally  
17 begged her to. She only took two days off a year, and I felt  
18 like we needed a break. And we had met these friends who love  
19 to travel, and they would invite us. It became the right  
20 opportunity for us to to finally take time off. Even when we  
21 traveled, she took a laptop and two extra monitors with her,  
22 and she would stay at least three to five hours in the hotel  
23 room trading. She never took a break.

24 I also want to testify to the fact that every  
25 friendship that she built over the years have been sincere, and

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1 I know that because these people were my friends too, and we  
2 used to talk about them a lot and talk fondly of them. And  
3 today, I see the pain and the loss in her face when we can't  
4 talk about them anymore, because we think about the loss that  
5 we've experienced.

6 Your Honor, Haena is not a monster. She is all too  
7 human like the rest of us. She loves her friends and family.  
8 She tried their best to get them, even if that meant covering  
9 up mistakes while trying desperately to make things right. I  
10 would have never been able to forgive her or marry her or share  
11 the responsibility of raising a child together if I had any  
12 doubt that she would be not be a loving mother and an amazing  
13 influence on our unborn son.

14 In fact, I hope our son is more like her than me. It  
15 would be an utter travesty if her character and humility were  
16 done, denied or destroyed by the prosecution and by those who  
17 are blinded by rage and retribution.

18 I want to remind you that the majority of victims who  
19 have contacted the court have not asked for retribution, but  
20 rather restitution and restoration.

21 I beg you for mercy today because I truly fear for  
22 Haena's life if she goes to prison. More than anything, I beg  
23 you for your objectivity and clarity. I hope you see through  
24 the false characterization and see the remarkable person Haena  
25 is to both us, the victims, but also to her.

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1 Thank you for your time.

2 THE COURT: Thank you.

3 Would any other victims like to be heard today?

4 Would the government like to be heard?

5 MS. MAGDO: Yes, please.

6 Your Honor, the defendant's husband and brother-in-law  
7 are certainly entitled to express their views and any  
8 suggestion to the contrary is not true. As is the suggestion  
9 by Mr. Ryan that the government did not ask me for my opinion,  
10 as the court is well aware, our victim witness coordinator  
11 sends letters to all victims asking for their input, including  
12 Mr. Grant. So I would like to speak to the court on behalf of  
13 the other victims. The other victims who are not speaking  
14 today, but who have written letters, who are too devastated,  
15 too humiliated, and too distraught to stand up here and address  
16 the court today.

17 For more than six years, the defendant engaged in a  
18 massive scheme to defraud more than 40 people of more than  
19 \$23 million by falsely holding herself out as a successful Wall  
20 Street trader and investment advisor. In truth, she was  
21 nothing more than a con artist and her purported investments  
22 were nothing more than frauds.

23 Like many similarly situated defendants, Park may not  
24 have set out with the intention to steal from her victims, but  
25 like all those other criminals whose good intentions turn bad,



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1 she made daily decisions to continue to lie, to deceive, and to  
2 steal. The harm she caused was not some abstract harm to the  
3 market or to anonymous individuals she had never met.

4 On the contrary, Park knew her victims very well.  
5 They were her friends, the families of her friends, her  
6 colleagues, her own relatives. Park carried out this scheme  
7 for more than six years knowing full well that the money her  
8 victims entrusted to her represented their entire life savings  
9 or close to it.

10 Park's victims included an elderly individual whose  
11 retirement savings she wiped out, immigrants who had spent  
12 decades working multiple jobs to achieve the American dream,  
13 and parents who have scrimped and saved for their children's  
14 education. And then there is the wheelchair-bound triple  
15 amputee from whom she stole \$4 million, money that he had  
16 received as a result of the terrible accident that rendered him  
17 so severely disabled. As he put it, "She was on a mission to  
18 wipe me clean of every dollar." As another victim wrote, "This  
19 was not extra money."

20 I would like to address a couple points made in the  
21 defense submissions and that are raised again in the victim  
22 statements. There is a suggestion that there was no  
23 self-enrichment on the part of the defendant in committing  
24 these crimes. The defendant writes, "The defense objects to  
25 the government's assertion that she used her victim's money to

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1 enrich herself and maintain her lifestyle." But I have handed  
2 up to the court and also to defense counsel something that was  
3 produced a long time ago in discovery, which is a memorandum of  
4 the defendant's post-arrest statement. I would like to point  
5 out to the court what she herself says on this topic after her  
6 arrest.

7 If you would turn to page seven, in the first full  
8 paragraph.

9 THE COURT: I'm just going to take this as Court  
10 Exhibit 1.

11 MS. MAGDO: Please. Thank you.

12 Park estimates that she paid approximately 250,000 to  
13 \$300,000 per year in bills to include legal bills, office  
14 space, and other bills. Park did not have a formal process for  
15 personal withdrawals for herself, but estimates that she pays  
16 herself a salary of approximately \$300,000 for living expenses.  
17 Park takes approximately \$25,000 per month for living expenses.  
18 Park pays the bills and her living expenses from the investor  
19 funds.

20 And to corroborate that, we can turn to Government  
21 Exhibit 1, which was submitted under seal with the government's  
22 initial sentencing submission. This is a schedule of her two  
23 bank accounts that she maintained through the period of the  
24 fraud. We can see on the very first page, the first line, that  
25 the opening balance in her bank account on December 5, 2009,

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1 was \$16,000. This is after she was separated from her last  
2 legitimate employment.

3 Further, on page four of Court Exhibit 1, in the  
4 middle of the second full paragraph, Park herself admits that,  
5 "all large wires into Park's personal and business bank  
6 accounts represented investor funds."

7 What did she do with those investor funds? There is  
8 no dispute that she paid her rent, bought her parents a house  
9 and a Lexus, and spent money on herself. This is not  
10 uncorroborated. This is supported by both the bank account  
11 records and the statements of numerous victims, who say that  
12 she stayed in fancy hotels, traveled first class, went on  
13 shopping sprees, and was a frequent visitor to a high-end spa  
14 where each night costs close to \$2,000. This is corroborated  
15 by the more than \$400,000 in credit card payments that are made  
16 from these two bank accounts, which are scheduled out and which  
17 consists of investor funds. That \$400,000 in credit card  
18 payments is separate from the rent, the mortgage, and the car  
19 payments that she was also making.

20 One of the victims said that her spending habits were  
21 "modest compared to other people in finance." Well, from the  
22 period of 2009 to 2016, the defendant was not working in  
23 finance. She was defrauding people. So that is not an apt  
24 comparison.

25 I would also like to say something in response to

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1 defendant's attempts to favorably compare this case to the case  
2 of Andrew Caspersen. While the actual loss in that case was  
3 greater, approximately \$36 million, I think it bears pointing  
4 out that \$25 million of that actual loss was born by a  
5 multi-billion dollar hedge fund, and the additional \$50 million  
6 in attempted loss was also going to come from a multi-billion  
7 dollar hedge fund. In that case, the actual loss to  
8 individuals was approximately half of the loss that Ms. Park  
9 inflicted on her victims.

10 In that case as well, Mr. Caspersen had two very young  
11 children. His scheme lasted for a fraction of the time that  
12 Park's did. Park also has aggravating factors, such as when  
13 the NFA came to do an audit of her in the spring of 2016, she  
14 repeatedly lied to them. She denied, for example, that she  
15 managed any third-party money or distributed any promotional  
16 material. The very purpose of the NFA is to protect investors  
17 from this type of fraud.

18 Perhaps most significantly, not a single one of the  
19 Caspersen victims suffered a significant financial hardship.  
20 In contrast, in this case, the court has received letters from  
21 at least 18 victims in which they describe their not only  
22 significant, but extraordinary finance hardship suffered as a  
23 result of Park's crimes, including the loss of life savings,  
24 the loss of retirement accounts that will force them to  
25 postpone retirement, and the loss of \$4 million that was

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1 intended to pay for the medical and living expenses of a  
2 severely disabled individual.

3 In no event, the government submits, should Park be  
4 sentenced to less than four years' imprisonment to which  
5 Caspersen, that Caspersen is currently serving and, in fact, is  
6 significantly longer sentence is warranted here. That, your  
7 Honor, is because Ms. Park's victims will never be made whole.  
8 They will not be made whole financially and they will not be  
9 made whole psychologically.

10 In this case, every dollar that Park stole was money  
11 that her victims had worked for and saved. It wasn't just  
12 money that she stole. She stole decades of hard work, of  
13 diligent savings, of sacrifice. She took away their American  
14 dream. To quote from a couple letters, she robbed them of "the  
15 previous decade that we worked and sacrificed to save money and  
16 the next decade at least that we will need to recover."

17 "A good portion of the results of my life's work in  
18 pursuing the American dream."

19 "Countless 60- and 70-hour work weeks."

20 "A big portion of the stability that I worked  
21 incredibly hard to build over 53 years of my working life."

22 She has destroyed the "financial security for the next  
23 generation."

24 "The sum total of my savings that I had pain-stakingly  
25 collected, as well as over \$100,000 that I borrowed against my

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1 retirement."

2 "The majority of the earnings that I have saved up for  
3 over 20 years."

4 "My entire cash savings, including all the money I  
5 was saving in retirement. I had diligently saved for nearly  
6 20 years."

7 "My life savings, which amounted to just over  
8 \$3 million."

9 The psychological harm that the defendant caused to  
10 her victims is similarly overwhelming. As has already been  
11 discussed, the individuals Park targeted including her close  
12 friends, former classmates, and her relatives. Often those  
13 victims would refer others with whom they had a trusted  
14 relationship to Park.

15 As one victim, who had been a close friend with Park,  
16 put it, "With her Harvard education and intentionally  
17 show-casing of great wealth, she intentionally preyed on  
18 victims and that connections to others in a shocking  
19 incomprehensible masterful destruction of people's entire life  
20 savings; people who included older retired couples, couples  
21 with children under the age of six and a paraplegic."

22 Another couple wrote, "Park took the money after  
23 meeting our children, holding them, and telling us how lovely  
24 they are."

25 A couple with two children that had known Park for

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1 years and from whom Park stole \$2.2 million wrote, "Park is not  
2 a simple thief. She is a serial liar who preyed on friends,  
3 family, associates and strangers. Her crime has "changed the  
4 way we think about people and our trust in people, not to  
5 mention the division it has created within our family due to  
6 taking responsibility for this horrific situation. I am unable  
7 to look at things the same way ever again."

8 "She preyed on the closest of relationships and those  
9 that could least afford to lose their life savings."

10 Park could have admitted her failures early on and  
11 lessened the loss to the first victims, but she chose not to do  
12 so, and preyed on innocence until the very end.

13 Another victim writes, "For me, the financial loss,  
14 while significant and tremendously impactful, has paled in  
15 comparison to the deep traumatic grieve and loss I have  
16 experienced as a result of being lied to and betrayed for  
17 years."

18 A victim who has known Park for nearly 20 years and  
19 who considered Park a member of our family. A woman who  
20 "unvetted all of her liquid cash savings and even liquidated  
21 her 401K," and who was told by Park, that was more like a  
22 sister to her than a friend wrote, "not only did I lose all of  
23 my savings, but I accepted a lesser-paying position following  
24 Park's advice. She advised me to accept the position because I  
25 no longer needed to save for retirement. She assured me that

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1 my money would continue to grow in her fund, and that even with  
2 the salary cut, I could probably retire by age 50. Instead of  
3 knowing that my retirement is secure, I have to begin saving  
4 all over again with greatly reduced flexible income. My family  
5 and I are emotionally and financially devastated by the  
6 betrayal of someone that we considered to be a beloved member  
7 of our family. I am not certain how I will ever recover."

8 Your Honor, against this backdrop of financial and  
9 emotional devastation of this serious elaborate, long-running  
10 fraud, the defendant presents no credible or persuasive  
11 mitigating factors. There is no claim of economic hardship.  
12 There is no claim that the defendant didn't know what she was  
13 doing was wrong. There is no addiction or mental illness.  
14 There is no coercion or pressure from a coconspirator. There  
15 is nothing.

16 The only thing the defendant comes up with are her  
17 health issues, but these are a distraction. As your Honor is  
18 well aware, the BOP deals every day and cares for severely ill  
19 individuals.

20 THE COURT: Let me just ask about that. I mean, I  
21 read in your letter about who you've spoken to in the BOP, but  
22 have you really outlined each of her medical conditions and  
23 assured that they can take care of each of them?

24 MS. MAGDO: Yes, your Honor. In fact, I should have  
25 mentioned this. I submitted to the BOP the defendant's



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1     unredacted submission, which alleges and sets forth each of the  
2     conditions, her medications, the affidavit of Mr. Philip Weiss,  
3     and that is what they were considering when they gave me this  
4     assessment.

5             Initially, when the probation officer had spoken with  
6     the BOP, he had only a more general sense of what her ailments  
7     are. But when I spoke to the BOP, I had given them the  
8     defendant's submission in its entirety, and they have no doubt  
9     that her conditions can be managed while she is incarcerated.

10            THE COURT: The idea is that she would likely be  
11     housed at the Federal Medical Center Carswell in Fort Worth,  
12     Texas.

13            MS. MAGDO: Yes. While BOP can't make a designation  
14     before the defendant is actually sentenced, that is their  
15     belief, at this point, is that is where she would be  
16     designated.

17            THE COURT: Among other things, they can monitor the  
18     brain aneurysm?

19            MS. MAGDO: Absolutely.

20            THE COURT: Please proceed.

21            MS. MAGDO: Your Honor, in closing, I would just like  
22     to read a couple excerpts from a letter submitted by the man  
23     from whom Park stole the largest sum of money, \$4 million.

24            Judge Abrams, the letter begins, "The money that Park  
25     stole from me was not money that I had inherited from rich

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1 parents. It was money that cost my flesh and bones. It was  
2 money that was supposed to cover my medical expenses and cost  
3 of living after a medical mistake in 2003 caused me to lose my  
4 two legs, my right hand, my hearing, and the function of my  
5 kidneys. In addition, I lost the use of most of my joints,  
6 experience cardiac arrhythmias, have had 24 surgical  
7 operations, more than eight years of slow recovery and physical  
8 therapy. I also endure chronic pain and have a lost list of  
9 medications, including immunosuppressant medications after my  
10 kidney transplant surgery. Park convinced me that I needed to  
11 grow my money so it could last me until old age."

12 The victim describes how Park befriended him, gained  
13 his trust over time, and created in him the fear that another  
14 economic collapse was coming and that his money was only safe  
15 if invested with her.

16 He concludes, "I don't know if I will ever get  
17 closure. The devastation she created is not just financial, it  
18 is physical, emotional, spiritual and psychological. It is  
19 indescribable. It is insurmountable."

20 Thank you, your Honor.

21 THE COURT: Thank you.

22 Ms. Gatto, would you like to be heard?

23 MS. GATTO: I would. Thank you, your Honor.

24 I would like to start out by acknowledging the people  
25 who are here to support Ms. Park. Some of them we have heard

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1 from in really poignant speeches, but also Mr. Stevens is here  
2 in the front in a wheelchair. He is the individual, the  
3 founder of the community service organization that Ms. Park has  
4 devoted over 1,000 hours to. You know from my letter that  
5 she's saved that organization from basically extinction, and  
6 now they are poised to get millions of dollars in grant  
7 funding.

8 Mr. Novogratz is here also. That is Ms. Park's former  
9 employer at Fortress. He was the managing director there. He  
10 is also her current employer now. He wrote a very moving  
11 letter. We have heard from some of the victims, and there are  
12 other victims here of family. Ms. Park's parents are here,  
13 Ms. Park's sister is here, and a dear friend of Ms. Park is  
14 also here.

15 I also want to talk about the victims. The government  
16 spent most of its time talking about the victims, and I too  
17 want to do that, because I think there is really no dispute,  
18 your Honor, that the victims' voices voiced here by the  
19 prosecutor are real. The loss here, I agree with the  
20 prosecutor, is less about finances and more about emotion, what  
21 those finances relate to.

22 THE COURT: It's both.

23 MS. GATTO: Emotionally, yes. I think that is right.  
24 It is both.

25 The offense is egregious, your Honor. It is a long

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1 period of time of lies, deceits, omissions. It involved a lot  
2 of money. But really, what I submit is the most tragic -- and  
3 there are lots of tragic dimensions to this case -- but is that  
4 these people were people who Haena did and continue to care  
5 deeply about. In that tragic dimension, your Honor, I think  
6 there is value to the court, because what you're hearing from  
7 some, not all, but some victims who are so close to Haena is  
8 their journey of forgiveness because they know Haena and  
9 because they can understand the real complexity of the  
10 motivations of this crime. It is something that I just don't  
11 think we can dismiss.

12 It is true, Caspersen had a gambling addiction. I am  
13 not saying she has a gambling addiction. I am not saying there  
14 was financial desperation, but the motivation here is  
15 complicated. And it is, as Mr. Ham said, very human. It is  
16 a lifetime of family pressure, cultural pressure, internal  
17 pressure that this woman had on her. I am not suggesting that  
18 this is going to bring comfort to the victims who lost their  
19 life savings.

20 THE COURT: Who took out a mortgage for the home for  
21 the very point of giving money when she knew full well was all  
22 based on a lie, that she was failing, that she knew that there  
23 were people's life savings.

24 MS. GATTO: Absolutely. I am not suggesting that it  
25 makes that pain, whether financial or emotional, less, but what

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1 I am suggesting is, on the spectrum of offenses, the motivation  
2 has to be evaluated if we are imposing a sentence about  
3 culpability.

4 The tragic thing here is that Haena put this  
5 incredible pressure on herself. Again, I don't find this as an  
6 excuse, I think it is an explanation, one that the court has to  
7 looking at if we are going to really sentence the person who is  
8 before this court. She put this incredible pressure on  
9 herself. At the same time, she had so much confidence in  
10 herself. I think that that is the crime here.

11 The hubris in thinking, I am not going to lose these  
12 people's

13 money, I am not going to lose these people's money, that is  
14 how a fundamentally good person can do what Haena did. That is  
15 how she is able to lie to the people she loves. That is how  
16 Haena can allow people to take out mortgages on their homes and  
17 do all of these devastating things financially, because Haena  
18 has done nothing but overcome obstacles in her entire life  
19 since sixteen, and Haena thought she was going to do that.  
20 Haena wanted to do that. Haena's entire life, since she came  
21 to this country, has been doing that.

22 Again, your Honor, I am not saying that this excuses  
23 the conduct, and I am not saying that there should be no  
24 punishment for the conduct, but I think it is a dimension, a  
25 tragic dimension, that can't be so easily overlooked. The

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1 government lists comparable defendants, and I say that with air  
2 quotes, including an individual who committed a Ponzi scheme  
3 where he purchased an island on Nova Scotia with the proceeds.

4 I, again, am not suggesting that Haena lived like a  
5 monk during this period, but Haena's motivation, Haena's  
6 driving force was not financial gain. It is something that  
7 makes this case unlike, by really a million light years, the  
8 cases the government is asking this court to rely on.

9 Your Honor, her motivations, her demonstrated remorse,  
10 her commitment to community service, her poor health, her  
11 pregnancy, her ability and desire to make restitution, all of  
12 these things are fundamentally important in making a decision  
13 about what is sufficient but not greater than necessary.  
14 You're really not hearing the government talk about those  
15 things. We have a sentencing system in place, punishment, a  
16 voice to some of the victims. This is all part of it. But the  
17 court has to ask itself the question, does a jail sentence, a  
18 lengthy jail sentence or any jail sentence serve those  
19 objectives in the most sufficient, without being greater than  
20 necessary?

21 THE COURT: If you think I give a sentence of home  
22 detention, what kind of deterrent message am I sending?

23 MS. GATTO: Your Honor, specific and general.

24 THE COURT: Let's talk about general.

25 MS. GATTO: Your Honor, the deterrence here has

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1 already, the message to the public has already been sent.  
2 There is plenty of studies that show this, especially in  
3 white-collar crime. The arrest, the loss, the collateral  
4 consequences send a message. That is actually --

5 THE COURT: They send a message to her. It may affect  
6 specific deterrence. With respect to general, you think that  
7 is sufficient?

8 MS. GATTO: I do, your Honor. I definitely think it  
9 is a very strong message. Is it sufficient? I do think so.  
10 But plus, your Honor, I'm not asking her to get off scot-free.  
11 I spent a lot of time, a lot of time thinking about what the  
12 right sentence is. This is for me, and I wouldn't be surprised  
13 for the court too, one of the hardest sentencing  
14 recommendations I have had to make.

15 THE COURT: This is one of the hardest sentencings  
16 that I have had to impose.

17 MS. GATTO: I am not surprised by that. I think the  
18 guidelines don't offer us guidance, your Honor. I think there  
19 might be a temptation that we can't take to say the guidelines  
20 are -- I don't mean to be flippant -- the guidelines are crazy.  
21 Let's cut it by 50 percent. Let's cut it by 75 percent. That  
22 accounts for the mitigation and all of that. That is not  
23 really right too.

24 What I did and what I am asking the court to do is  
25 methodically go through think 3553, as it is clear that the

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1 court is doing. Your question about general deterrence is  
2 exactly what I would ask the court to do. Go through each one  
3 of them.

4 Your Honor, because of general deterrence and  
5 punishment, I am not asking for probation. That is where I  
6 spent all of my time. I am asking for a year and a half of  
7 house arrest, and that is what I thought of as an alternative  
8 to incarceration. What we are really proposing, what I really  
9 think is the only thing that is true to the statute, all of  
10 that statute, is some alternative to incarceration. A year and  
11 a half under house arrest, I have never seen a year and a half  
12 of house arrest. The longest house arrest sentence I have seen  
13 imposed in a very serious case was nine months. That is why I  
14 doubled it. I doubled it to a year and a half.

15 We are open to all alternatives to incarceration to  
16 make it as punitive, as loud of a message to the public as  
17 possible, while sparing her from incarceration, which is  
18 accomplishing nothing here.

19 THE COURT: This is a crime she committed every day  
20 for six years against 40 people, and she lost over \$23 million.  
21 And your proposal is she should stay at home?

22 MS. GATTO: Yes, a prisoner in her own home. I can  
23 see that, at the front of my submission, it is an extraordinary  
24 request. I didn't originally arrive at this sentence this way.  
25 I told you it took me months. I recognize how crazy it is to



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1 ask for house arrest in the case where the losses are over  
2 \$20 million.

3 THE COURT: It is not just the number of the loss, and  
4 I'll talk about that later with respect to your argument  
5 regarding the fraud guidelines. This is not a case where there  
6 was one loss, there was one fraudulent loan for a high loss  
7 amount. This was every day for six years leading up to that  
8 loss amount.

9 MS. GATTO: Yes. Your Honor, I thought Mr. Ham really  
10 articulated something that I couldn't articulate. Every day of  
11 those six years, on one side there certainly lies -- and I'm  
12 not at all suggesting otherwise -- but on the other side is  
13 working herself to the bone, desperate to try to get this money  
14 back thinking, based on her life's --

15 THE COURT: Taking more money from new people.

16 MS. GATTO: Yes, your Honor.

17 THE COURT: Knowing that she has lost everything so  
18 far.

19 MS. GATTO: Yes, your Honor.

20 THE COURT: New people, right? New people with life  
21 savings, with hopes of donating to children, grandchildren,  
22 medical needs.

23 MS. GATTO: Yes, your Honor. It is devastating to  
24 them. It is devastating and it is worthy of punishment, but I  
25 go back to what I say. We have to account somewhat for what is

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1 going on in her mind. It is the same reason --

2 THE COURT: I agree, we do. That is a relevant  
3 factor. I don't disagree with that.

4 I think why someone commits a crime is relevant, among  
5 other things. It will help determine if they are likely to  
6 recidivate in the future. And if they are doing it for greed  
7 or to help a loved one, I think that matters.

8 MS. GATTO: Again, we are focusing only on -- it is  
9 certainly an important focus, the devastation to the victims,  
10 the need for retribution for those victims and the need for  
11 punishment at the expense of the other factors. I wonder,  
12 really, what putting her in jail for X number of months,  
13 whatever it is, the victims may have some emotional closure  
14 for that. The punishment will be sent there.

15 But what we're actually doing is we are going against  
16 other factors, including restitution. If we are going to talk  
17 about the victims, we should.

18 THE COURT: How much money is she making now? I know  
19 she is working.

20 MS. GATTO: She made \$15,000 in three months, your  
21 Honor. Her health, as you know, she had brain surgery in the  
22 interim. There was a period of time where she was getting back  
23 on her feet. In three months, she earned \$15,000. She earns  
24 \$100 an hour doing research for Mr. Novagratz's media company.  
25 That \$15,000 is all \$15,000. This isn't a case where I'm

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1 saying, your Honor, my client will agree to 10 percent of the  
2 salary, 15 percent of her salary. That is every penny.

3 Her and her husband are living off of his salary. She  
4 is doing everything she can. Now, \$15,000, it's a drop in the  
5 bucket when it is \$23 million. But if the government got its  
6 way and put her in jail for nine years, if she is lucky enough  
7 to be in the UNICOR program, she will earn 23 cents an hour.  
8 Those nine years, that is half a million dollars.

9 THE COURT: That is true for every white-collar  
10 defendant, right? That is like saying no one should go to  
11 jail, stay out and make money to pay restitution.

12 MS. GATTO: That may be true, your Honor, for other  
13 defendants that have the ability, but rarely, certainly in my  
14 practice, I have never seen someone not only with the ability  
15 to make restitution, but the desire, really, the need to make  
16 restitution.

17 I mentioned this in my sentencing submission. From  
18 the day I met Ms. Park, all she has talked about is what can I  
19 do to put some pool of money together. So the home that she  
20 bought for her parents, which she purchased with the proceeds  
21 from her legitimate salary of Fortress where she was earning \$1  
22 million, she discussed this. I said, you know, that money,  
23 that home was purchased with legitimate proceeds. You had  
24 considerable savings when this started. There is an argument  
25 that the mortgage payments were paid from yours.

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1           She was very sloppy, your Honor. Everything is all  
2 mixed up. So whether I would prevail or not, Haena would not  
3 hear of it. Haena said no, that home I am going to sell. Not  
4 only do we agree to forfeit it. This is really unusual, the  
5 government will tell you, she put it on --

6           THE COURT: It is.

7           MS. GATTO: She put it on the mark. She found the  
8 buyer. The first buyer fell through. She found another buyer.  
9 The money went immediately in the car. The car was purchased  
10 for her parents with money from Fortress while at Fortress. We  
11 agreed to forfeit it. The marshals went to the parents' house  
12 and drove the car away. That is another \$15,000 in the fund.

13           So yes, lots of people are smart who commit crimes and  
14 lots of people can say I can find a job no problem. How many  
15 times do you have an individual who says, I am going to get a  
16 job, right? She has got a brain aneurysm, she is pregnant, she  
17 is suffering from major depressive disorder, and she goes out  
18 there and she says, Can somebody give me a job? And because of  
19 who she is, Mr. Novagratz gave her a job.

20           I found his portion -- I highlighted it. I am not  
21 going to read all the letters again. The court has read them.  
22 But I highlighted them in my submission for a reason. His  
23 portion of explaining, I wouldn't -- he's been in finance a  
24 long time. This is a very successful individual. He has heard  
25 of Ponzi schemes before.

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1           He implies, I wouldn't just give anyone a job. I  
2 wouldn't give anyone a second chance. I give it to Mr. Park  
3 because I know who she is and I can see what happened here and  
4 I can see how important it is to her and to the victims that  
5 she make restitution.

6           I don't think it is fair in any way for the government  
7 to suggest that this is buying her way out of prison. There is  
8 a statute, your Honor. We are required to consider it. If you  
9 had someone who might potentially have a job, that is one  
10 thing. You have someone who has a job, has already put \$15,000  
11 in three months. There is no reason not to believe it will  
12 grow. She is committed to it. I'll talk about financial  
13 restitution and what I've called emotional restitution.

14           I don't think that the government has ever addressed  
15 this, never responded to Ms. Park's community service. I  
16 started out by pointing out Mr. Stevens in the courtroom. I  
17 can't say enough what she did for this organization. It's  
18 important for several reasons. One, it helps the court with  
19 the impossible task here of looking into this woman's soul and  
20 saying, What happened here? Are you really just a fraud and a  
21 swindler that I have to put behind bars, or are you a  
22 fundamentally good person who lost her way?

23           Her response to the arrest, your Honor, and not to  
24 repeat, it was to sell a home that I said, Hey, let's not sell.  
25 To get a job, even though she is sick, and to devote 1100

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1 hours, 1100 hours to an organization that she found online,  
2 again, I am not going to read the letters because they're  
3 powerful enough the first time you read them.

4 But Mr. Stevens is a formerly incarcerated individual.  
5 He articulates something I couldn't do, and I feel the same way  
6 about Mr. Grant and Mr. Ham. They are able to say what I am  
7 trying to say much more powerfully because they are so close to  
8 it.

9 He articulates the ability of this woman, if she  
10 remains on the outside, to do those things we strive to do,  
11 which is not just punishment. It is not just punishment. I  
12 will talk about the medical care, your Honor.

13 We don't even have a form letter from the BOP. The  
14 government stands up and says, Well, I spoke to someone and  
15 they have no doubt that they can care for her. I have had  
16 cases with medical issues before. I have never had a case  
17 where the BOP didn't even bother to submit the standard letter  
18 that she submits that says, Oh, we can do it. Without that  
19 letter, and even if there were that letter, I have a real issue  
20 with any confidence that the BOP is going to handle it in the  
21 most effective manner.

22 THE COURT: Do you think it is necessary to adjourn  
23 the sentencing and get the letter, or do you take the  
24 government's representation that they spoke to the program?

25 MS. GATTO: I have no reason to believe, and I would

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1 never suggest the government is lying. I know the government  
2 spoke to the BOP. They spoke to someone who can't guarantee  
3 designations. That is not what they do.

4 All they have told you about Xolair -- I'll talk about  
5 that first, and then all the other conditions -- all they have  
6 told you about Xolair is that there is one man somewhere at  
7 some point in time with whatever diagnosis, that unknown  
8 individual has got Xolair at a facility that she is not going  
9 to. No one can guarantee Xolair to her. That is the way it  
10 works.

11 That is why Mr. Weiss' affidavits, I felt compelled  
12 to submit, because through him I learned a lot about how the  
13 BOP works, a lot about the formulary, about the delay, about  
14 the inability to transport people to places. He doesn't say,  
15 nor would any BOP person say, she is going to or she is not  
16 going to. It is unknown.

17 Is she going to go into anaphylactic shock in prison?  
18 Maybe. We don't know. Is she going to be able, if she does go  
19 into anaphylactic shock, to get the lieutenant to get her  
20 EpiPen? Maybe. Is she going to get the Xolair shots? Maybe.  
21 There will be a delay, there is no question of that. Maybe.  
22 Maybe. Will she be triggered by all the allergens that are  
23 there? Probably. What the results will be, who knows. Will  
24 her aneurysm rupture in prison? We don't know. Will she be  
25 able to get to the doctors she needs to? We don't know, your

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1 Honor.

2 Again, the statute requires us to look at medical care  
3 in the most effective manner. I don't think there can be a  
4 dispute, there really cannot be a dispute, that in the most  
5 effective manner, those words of the statute are achieved by  
6 keeping her on the outside.

7 Again, your Honor, you already said it is so hard. If  
8 we were looking at medical care, there is no question. I think  
9 the sentence I'm asking for complies with the statute, if  
10 you're just looking at the need for restitution.

11 But court has to balance it all together, and I'll end  
12 where I started, really, in this process. I try to do that. I  
13 put on the scales of this balancing system, the boulder that is  
14 this offense, and then I stack the rocks that are all the  
15 mitigation here, your Honor, her medical issues, the fact that  
16 she is about to have a baby. It is really a miracle child at  
17 41 years old. A newborn who is about to enter this world on  
18 August 29, and what it will be like for this woman and for the  
19 government to suggest that separating a newborn baby from its  
20 mother is the same as separating a newborn baby from its  
21 father, I think, really flies in common sense.

22 THE COURT: There are a lot of genuinely  
23 heart-breaking things about this case, which is what makes it  
24 so hard, right?

25 MS. GATTO: That's right, your Honor. That is right.



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1 THE COURT: Both for Ms. Park and for the victims.

2 MS. GATTO: It's a tragic, tragic case, your Honor.

3 All we can ground ourselves in is what is a long or any prison  
4 sentence doing here? How can we make this less tragic?

5 The financial loss can be somewhat diminished by her  
6 ability to work, her remorse, her community service, her  
7 rehabilitation, her personal journey, her medical care, her  
8 relationship with this newborn on the outside, with still very  
9 punitive consequences, your Honor.

10 Again, I would have written every alternative to  
11 incarceration in my submission if I could think of it. 30,000  
12 hours of community service over ten years, she is going to do  
13 that either way. I offered this because I know there is a way  
14 to fashion a sentence that deals with that boulder on the other  
15 side, but also deals with much bigger than that boulder on this  
16 side. It is punitive house arrest. If the court considers a  
17 longer period, I don't think we would take any position. We  
18 are just trying to balance it all in what is a very tragic  
19 case.

20 I am not going to say anything else unless the court  
21 has questions. I have nothing else to say. I really rely on  
22 Mr. Ham and Mr. Grant, who I think articulated what I have been  
23 trying to articulate in hundreds of pages of writing in this  
24 case and in my advocacy here that prison is too much, not  
25 necessary, and there is a way we can do this the right way,

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1 your Honor.

2 THE COURT: All right. Thank you.

3 Ms. Park, is there anything you would like to say  
4 today?

5 You can stay seated if you would like, just move the  
6 microphone closer, please.

7 MS. GATTO: Your Honor, can she go to the podium?

8 THE COURT: Yes.

9 THE DEFENDANT: Your Honor, I appear before you today  
10 ready to accept the consequences of my action, which have  
11 devastated the people I care about most in this world. My  
12 downward spiral into this crime began with a dream of forming  
13 my own company and bettering the lives, financial lives, of my  
14 loved ones and myself. When I ran into problems and made  
15 mistakes, I began to make all the wrong decisions.

16 What started as one lie of omission turned into what I  
17 thought would be a temporary misreporting of numbers, and then  
18 it eventually snowballed into a monstrous web of lies that I  
19 could no longer untangle. All along I focused on one thought  
20 and one thought only, that I could not and would not lose these  
21 people's money. Failure was not an option.

22 I had made promises to the people I loved, and it was  
23 my responsibility to fix my own mistakes. I imagined what the  
24 loss would mean for each person and could not let myself walk  
25 away. Worst of all, worst of all, I thought that I had a

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1 fighting chance to make it all back. By the end, I was lying  
2 to give myself time to consider my risky, incredibly foolish  
3 bets, lying to stall people from withdrawing money, and lying  
4 to solicit more money to fund the withdrawals.

5 I continued to justify these terrible acts in my own  
6 head by repeating to myself constantly that I'll turn the  
7 losses into gains and pay all these people back once everything  
8 got back on track. What I should have chosen to do from the  
9 very beginning was to admit my initial mistakes with humility  
10 and honesty. I should have reached out for help instead of  
11 isolating myself further.

12 Instead, I committed a terrible, terrible act that is,  
13 at best, a product of unbelievable hubris and cowardice and, at  
14 worst, monstrosity. What I initially thought was an act to  
15 remedy my mistakes and not cause harm morphed into a betrayal  
16 of the worst kind, that inflicted damages that ended up being  
17 matters worse than my initial mistakes would have been.

18 My heart crumbles every day thinking about the  
19 devastation and difficulties each of my friends and family is  
20 going through because of what I have done. I lie awake every  
21 night thinking about the retirement money, the college fund,  
22 the future plans and dreams that are now in jeopardy and  
23 damaged because of what I did to these hard-working people that  
24 trusted my education, my work experience, and above all, my  
25 integrity.

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1 Over the past year, I apologized over and over again  
2 in my head to each person, all the while knowing that no amount  
3 of apology would make a difference. They did not deserve to be  
4 hit with this disaster and betrayal. They deserve their  
5 hard-earned money. They deserved honesty and truth so they  
6 could have made informed decisions.

7 For many months, I wanted to end my own life because I  
8 didn't know how I could possibly live with the guilt of having  
9 caused so much irreparable damage to so many people's lives.  
10 But that would have been the ultimate act of cowardice. The  
11 only choice now that I have is to face the consequences and do  
12 everything in my power to redress the harm in any way that I  
13 can.

14 The painful truth, though, is that there is an  
15 emotional scar that many of my victims will not be able to  
16 erase for a long time, if ever, no matter how much of their  
17 money they get back. Still, I will live each day doing my best  
18 to repair the damage and atone for what I have done. I will  
19 live to teach our unborn child that it is never wrong to admit  
20 one's mistakes and failures, and in doing so is the very  
21 definition of courage.

22 Lastly, I would like to apologize to the victims who  
23 are suffering every day from the financial and emotional injury  
24 that I caused. You are each someone or a friend of someone I  
25 loved like family. I am so ashamed and truly sorry for all the

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1 lies and pains I caused you. I imagine you questioning every  
2 meaningful moment of friendship and love we shared over the  
3 months and years we have known each other, and I can't blame  
4 you for thinking that every word and action from me must have  
5 been a lie after what you have been through for the past year.  
6 There is probably no way for me to help you make sense of my  
7 actions, given that you are people I truly loved and cared for.  
8 I am so sorry. I truly wish there were something I could do to  
9 undue the harm.

10 There is some of you who have shown incredible mercy  
11 and generosity of spirit in forgiving me, even after seeing me  
12 in my most broken and ugliest moments. You have forgiven what  
13 I cannot forgive in myself. It is a debt, it is a debt that I  
14 can never repay, but I will work to pay it forward for as long  
15 as I live.

16 Your Honor, I know that no amount of remorse or  
17 restitution will erase the harm I caused these people, but I  
18 will put my best foot forward each day, live the remaining days  
19 of my life with integrity, and accept the course of justice  
20 prescribed by this court respectfully.

21 Thank you for allowing me this time.

22 THE COURT: Thank you.

23 I'm going to just take a very short break. I am going  
24 to ask you to stay where you are because I won't be long.  
25 Thank you.

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(Recess)

THE COURT: Is there any reason why sentence cannot be imposed at this time?

MS. MAGDO: Not that the government is aware of, your Honor.

MS. GATTO: No.

THE COURT: I'm required to consider the advisory guidelines range of 108 to 120 months, as well as various other factors that are outlined in a provision of the law. It is Title 18, United States Code, Section 3553(a). I have done so.

Those factors -- and I am supposed to consider all of them -- include but are not limited to the nature and circumstances of the offense, the personal history and characteristics of the defendant, because each defendant must be considered individually as a person and as a human being, Mr. Grant, as you very rightly and pointedly noted. Judges are also required to consider the need for the sentence imposed to reflect the seriousness of the offense, to promote respect for the law, to provide just punishment for the offense, to afford adequate deterrence to criminal conduct, and to protect the public from future crimes, as well as to avoid unwarranted sentencing disparities among other factors.

As I said earlier, this is extraordinarily difficult. As I think we all recognize, on one hand, Ms. Park, you have hurt so many people, good people, people you loved most in the

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1 world. And, frankly, I read every page of the very stellar  
2 submission your lawyer drafted on your behalf. I listened to  
3 you here today, and I still don't totally understand how you  
4 could do that, how you could lie and steal from those you love  
5 and those who trusted you day in and day out -- relatives,  
6 close friends, former classmates -- and for so many years. For  
7 over six years you defrauded more than 40 individuals of  
8 \$23 million. That's staggering, frankly.

9 One of the things that I think was especially  
10 egregious is that you continued to seek out more money and more  
11 investors through charm and manipulation and personal  
12 relationships, knowing full well that it was all built on a lie  
13 and that you were putting each of these victims' lives in  
14 jeopardy in the process. I can understand the shame, the fear  
15 of failure, the desperate hope that you would make the money  
16 back, but for those desires to be so much more important to you  
17 than the life savings and the emotional stability and security  
18 of these people, it was selfish, it was arrogant, it was  
19 careless, and callous and cruel.

20 And while we can calculate the harm in dollars, for  
21 some, that harm is immeasurable. The loss of livelihood, of  
22 savings, of college funds, the precious fruits of hard labor  
23 from your victims, that they had hoped to pass on to their  
24 children and their grandchildren. For one victim, you stole  
25 the stability that he had worked for over 50 years to build,

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1 and the peace that he expected to have at the age of 75 that he  
2 no longer has.

3 From another, the government cited his letter, who is  
4 wheelchair bound writes that you stole not only \$4 million  
5 intending to pay for medical care, but left a permanent  
6 devastation that is physical, emotional, spiritual and  
7 psychological.

8 Many others have described the devastating loss not  
9 only of financial security, but the loss of dignity and trust  
10 in others, and you caused all of that. And whether it is out  
11 of hubris or confidence or arrogance, you caused it. And  
12 unlike so many people I see sit in that seat you're sitting in,  
13 you are not someone without opportunity or without support. To  
14 the contrary, you had a Harvard education. You have a plethora  
15 of people who love you and who support you. So you have more  
16 options in life than just about anyone I've seen sit in that  
17 seat. Yet, you squandered all of those opportunities.

18 So I do think a very substantial sentence needs to be  
19 imposed in light of the gravity of these crimes, to provide  
20 just punishment, to afford adequate deterrence to others who  
21 may be intended to engage in similar conduct. There will be  
22 serious consequences for conduct like this.

23 I have also, though, considered all the arguments that  
24 you have made, your intent, that you didn't intend to hurt  
25 anybody, you intended to pay all of the money back, you didn't



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1 commit the crime out of greed, and I believed that you were  
2 genuinely remorseful. I have read all of the letters that were  
3 submitted on behalf of your loved ones, who were victims  
4 yourself. I heard Mr. Ham, your husband, and Mr. Grant today,  
5 speak so eloquently and heard them plead for leniency on your  
6 behalf. And the generosity of spirit that I have seen among  
7 your loved ones is, frankly, inspiring. And that there are so  
8 many people who are willing to do so, to forgive and to plead  
9 for leniency on your behalf, says a lot about the devotion that  
10 they have to you.

11 And Mr. Grant and Mr. Ham and all of the other victims  
12 who have urged leniency, I want to tell you, I have heard your  
13 voices. I have heard the other victims as well, but I have  
14 heard your voices too. And it is all part of this very  
15 difficult balance that I am trying to achieve here today.

16 I have considered your argument regarding the fraud  
17 guidelines, and I am mindful that the amount of loss is the  
18 principal determinate of the adjusted offense level and, hence,  
19 the corresponding sentencing range. I agree with Ms. Park  
20 that, in many instances, loss amount on the own is an imprecise  
21 and imperfect measure of culpability, but here, as I noted  
22 earlier, we don't have a one-time scheme with a loss amount, a  
23 large loss amount or something like that, but we have a fraud  
24 that was perpetrated day in and day out over years in a  
25 meticulous and intentional manner against so many trusting

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1 victims.

2 I have considered as well your community service and  
3 the importance of you getting back to work so that you can pay  
4 your restitution. I have considered the various medical  
5 conditions. With respect to the brain aneurysm, I understand  
6 that the embolization appears to have been successful for now,  
7 but that you need to continue to be screened and surgery may be  
8 necessary in the future. With respect to your severe asthma  
9 and other health conditions, I am persuaded by the government's  
10 representation that, based on its investigation and  
11 conversations with BOP representatives, that the BOP has  
12 medical facilities, including the Federal Medical Center  
13 Carswell in Fort Worth, Texas, that can adequately address  
14 medical needs, although I will say that I am happy to make any  
15 kind of recommendation with respect to medical care.

16 Finally, I have considered that you're due to have a  
17 baby shortly and that being separated from him will be a  
18 punishment like no other. So, in sum, while I think that some  
19 variance is appropriate in light of your health and your  
20 personal issues and some of the other sentencing factors, I  
21 have ultimately come to the conclusion that I do think that a  
22 significant prison sentence is necessary given the enormity of  
23 the crime and the cold and calculating manner in which it was  
24 carried out, as well as the financial and emotional harm due to  
25 so many.

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1 I am going to ask you to rise for the imposition of  
2 sentence.

3 It is the judgment of this court that you be  
4 committed to the custody of the Bureau of Prisons for a term of  
5 36 months, to be followed by a term of supervised release of  
6 three years. In my view, this sentence is sufficient but not  
7 greater than necessary to comply with the purposes of  
8 sentencing set forth in the law.

9 In terms of avoiding unwarranted sentencing  
10 disparities, I'll note that I do think that there are very  
11 specific mitigating factors present in this case that are not  
12 present in others.

13 You can be seated while I describe the conditions of  
14 your supervised release, as well as the other details of your  
15 sentence.

16 All the standard conditions of supervision shall  
17 apply. The following mandatory conditions shall apply: You  
18 shall not commit another federal, state or local crime, you  
19 must not unlawfully possess a controlled substance, you must  
20 refrain from any unlawful use of a controlled substance, you  
21 must submit to one drug test within 15 days of release from  
22 imprisonment and at least two periodic drug tests thereafter as  
23 determined by the court, you must cooperate in the collection  
24 of DNA as directed by the probation officer, and must make  
25 restitution in accordance with the law.

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1           In light of the nature of the crime, I am also going  
2 to follow the recommendation of the probation department and  
3 impose the following special conditions: That you provide the  
4 probation officer with access to requested financial  
5 information while you're on supervised release, not incur any  
6 new credit card charges or open lines of credit without the  
7 approval of the probation officer unless you're in compliance  
8 with the installment payment schedule, and that you be  
9 supervised in the district of your residence.

10           I decline to impose a fine in light of the restitution  
11 and forfeiture obligations I intend to impose. I am required  
12 to impose a mandatory special assessment of \$100, and I do so.  
13 I understand that you and the government have agreed to  
14 restitution in the amount of no less than \$20,344,010,  
15 representing the net loss to any victims, but that the  
16 government intends to submit a proposed restitution order with  
17 names of the victims within 90 days, is that correct?

18           MS. MAGDO: That's correct, your Honor.

19           THE COURT: What would you propose with respect to the  
20 timing of the restitution payments, the payment schedule? Is  
21 that something you intend to submit as well?

22           MS. MAGDO: Yes. I can include that in the  
23 submission, your Honor.

24           THE COURT: All right. Pursuant to the consent order  
25 of forfeiture money judgment signed back in January, I am also

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1 entering a money judgment against you in the amount of  
2 \$23,186,860, representing the amount of money illicitly taken  
3 by you, and the forfeiture of all property which constitutes or  
4 is derived from the offense on June 16. A final order of  
5 forfeiture as to specific properties was filed. I am going to  
6 incorporate those two documents into the judgment.

7 With respect to the payment schedule for forfeiture,  
8 is there any recommendation from the government?

9 MS. MAGDO: Your Honor, the specific property has  
10 already been forfeited, as your Honor is aware. If I may  
11 include that with the restitution payment proposal?

12 THE COURT: Is there any objection to that?

13 MS. GATTO: No.

14 THE COURT: If necessary, I'll amend the judgment to  
15 include that.

16 Before reading your appellate rights, I want to  
17 discuss a surrender date. Of course I am going to have that  
18 surrender date, which the government has suggested, as  
19 appropriate as well after the baby is born.

20 MS. GATTO: Judge, I was going to make a proposal. I  
21 don't know if it is possible that we come back three months  
22 after the baby is born. At that point, Ms. Park will see what,  
23 if any, nursing needs she has for the baby and also the state  
24 of her brain aneurysm, and set the surrender date three months  
25 after the birth of her son. And then the idea would be, we

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1 would prepare to ask for either, whether it be six weeks or  
2 three months or something reasonable, but --

3 THE COURT: Does the government have any objection to  
4 that?

5 MS. MAGDO: No. Although, I believe Ms. Gatto may  
6 have misspoken. I think she said set the next hearing, not the  
7 surrender date for three months.

8 THE COURT: I think she said actually set the  
9 surrender date.

10 MS. GATTO: Your Honor, that would give me an  
11 opportunity, to the extent we can, work with the BOP to figure  
12 out how to set up medical needs before. It is not an easy  
13 process, because we don't even know where she is going. It  
14 would give us a little --

15 THE COURT: I'll do that. Why don't we set a date  
16 now.

17 The baby is due in September, but when exactly?

18 MS. GATTO: The baby, there is a scheduled C-section  
19 on August 29. I thought the end of November.

20 THE COURT: Why don't we set a conference for that  
21 date. Why don't we set a conference date for November 29 at  
22 9:30.

23 MS. GATTO: Thank you.

24 THE COURT: At that time, I do want both the parties  
25 to be up on all of the medical issues, and I do expect that

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1 Ms. Park will have child care, to the extent consistent with  
2 her husband's work schedule, in place at that time and will set  
3 a surrender date at that time.

4 That is the sentence of this court. Ms. Park, you  
5 have a right to appeal your conviction and sentence, except to  
6 whatever extent you may have validly waived that right as part  
7 of your plea agreement. If you do choose to appeal, the notice  
8 of appeal must be filed within 14 days of the judgment of  
9 conviction. If you're not able to pay for the cost of an  
10 appeal, you may apply for leave to appeal *in forma pauperis*,  
11 which simply means that court costs and filing fees will be  
12 waived. If you request, the Clerk of Court will prepare and  
13 file a notice of appeal on your behalf.

14 Does the government move to dismiss the open counts  
15 against Ms. Park?

16 MS. MAGDO: The government so moves.

17 MS. GATTO: Your Honor, I'm sorry.

18 THE COURT: It will be dismissed.

19 MS. GATTO: One more comment.

20 Can you waive interest on the restitution? I think it  
21 is 20-something million dollars. The interest shouldn't be the  
22 concern.

23 THE COURT: Any objection?

24 MS. MAGDO: No.

25 THE COURT: I'll do that.

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1 Thank you. We are adjourned.

2 I want to thank, again, all the victims, both  
3 Ms. Olsen, if you can pass that along to the victims who  
4 submitted letters and to those who came here today. It was  
5 very important to me to hear perspectives from all sides. I  
6 know that this is an emotional case and has been for everybody  
7 involved, but I want to thank you all for writing and speaking  
8 and sharing your thoughts and feelings with me.

9 We are adjourned.

10 o0o